

MARKETING QUALITY ALFALFA HAY

Garry D. Lacefield
Extension Forage Specialist

Alfalfa hay is a potentially marketable-profitable product if--if quality is satisfactory to meet buyer's needs, if it is packaged such that it meets buyer's feeding program and can be transported efficiently, if in sufficient quantity, if storage site is accessible by truck or trailer, and if it is competitively priced. Meeting these minimum criteria only means the hay is potentially marketable; only after it has been sold does it become potentially profitable.

Traditionally, major emphasis has been given to production of alfalfa hay. Over the last ten or so years, greater emphasis has been placed on producing quality hay. Considerable advances have been made in production, and I am most encouraged with progress that is being made relative to quality. Although advances have been made, much is yet to be learned and implemented from both buyer's and seller's perspective to more fully understand and appreciate the importance of hay quality.

Successful producers must produce high yields, but major emphasis must be placed on quality. Producing high quality hay requires attention to details from pre-establishment through post-harvest. Of paramount importance is harvest management. Timeliness of all operations is essential. Most producers are increasingly aware of factors necessary for top production and today producers are giving more attention to quality than ever before. In my opinion, those who will consistently make money with alfalfa hay in the next decade will have to give as much attention to marketing their product as to the production aspects.

WHO NEEDS HAY?

The answer to this question really depends on the year and geographic location. In drought years, everyone needs hay - in good years, no one seems to want it. Anyone can usually sell hay during shortage years; difficulties arise during those surplus years. Therefore, a more realistic question for a businessman whose business is hay production is "Where and to whom will I sell my product over the next 5, 7, 10 years?"

Since quality alfalfa hay can be used in many feeding programs, it is usually in demand. Horse producers usually demand the highest quality, followed by dairymen, with dry pregnant beef cows being able to utilize the lower quality hay. Between the low and high ends of the quality spectrum are other markets which include sheep, feedlots, feedmills, and a number of specialty markets. Depending on geographic location, this may include zoos, animal

farms, race tracks, sale barns, amusement parks, etc.

Within each species there exist wide differences in requirements for both quality and quantity. Young growing animals, high producing animals, lactating females and work animals have the highest requirements with dry pregnant animals having the lower nutrient requirements. With the wide variation that exists in animal requirements and the variation that exists in hay quality, the ultimate objective in animal feeding programs is to match hay quality to animal feed needs such that the desired level of animal performance is achieved with minimum supplementation.

MARKETING STRATEGY

Alfalfa hay is produced throughout the U.S. from California to New York - from Florida to Michigan. It is likewise sold throughout the U.S. and abroad. At present, there are more individuals, groups and organizations involved in areas of marketing than ever before. This is encouraging; however, the responsibility of marketing your hay rests solely with you. Never assume that someone or some organization is going to do your job. You must know your product, believe in it, and market it for the best return. Many avenues are presently available to assist producers with marketing. Each person must evaluate his own operation and decide on a marketing strategy that will work for him.

Horse and dairy markets have demanded, and will continue to demand, high quality hay. Consequently, in planning a production and marketing strategy, one should set high goals and produce quality hay for those markets which offer the best price. This goal of high quality requires discipline. A few days delay in cutting will result in lower quality. Even though a goal of only-high-quality is set, you will usually have sufficient quantities of medium to low quality at the end of the haying season, simply due to factors beyond your control (weather, pests, equipment breakdown, etc.).

For those hay producers in the feed sell situation, a system of selling the best hay and feeding the remainder permits efficient utilization. Producers who have no livestock and are sell-all marketers must work out a strategy for utilizing the lowest quality, damaged hay and broken bales. Many producers have worked out arrangements with neighbors who have cattle operations for this portion of their hay supply.

CUSTOMERS ARE VIP's

The hay business is a competitive business and will get more competitive in the next decade. Your customers are busy people and should never be taken for granted. You produce a good product. Back that product up with necessary test results for your customer. Follow up on all calls immediately. Speak their language, talk to

those horse owners about your high quality, early cut, green, leafy, no-weeds, no-molds hay. Talk to the dairyman about your high-quality, high-protein, low-fiber high-relative-feed-value hay, and have test results for verification. Keep repeat customers satisfied. Consider some sacrifices initially to get that first time customer.

Advertise your product honestly and effectively. A note on the Coop bulletin board saying, "Alfalfa hay for sale", is only slightly better than the note saying, "Hay for sale". Be more specific and it will save your time and the customer's time. Target your advertising to specific markets. It's wasted effort and money to advertise low-quality moldy hay to horsemen. Likewise, with the low margin of profit in the beef industry, the cow-calf operation can't compete with the horse industry for high-quality horse hay.

In summary, the hay business is a competitive business so be a competitor. Compete based on your ability to produce and market quality. Know your product, believe in that product and market it enthusiastically. Know your markets and their specific quality needs. Keep your customers happy with a quality product and "Golden Rule" relationships.